



MEMORANDUM TO FILE:

TO: File

FROM: James A. Holtkamp

RE: Conference Re: Atlas Surety Requirement

DATE: August 8, 1978

On August 8, 1978, a meeting was held in the office of Don Nielson, State Science Advisor, regarding the surety requirements imposed upon Atlas in connection with reclamation of the tailings at its Moab Mill. In attendance at that meeting were Mr. Nielson, Mr. A. E. Dearth, President of Atlas Minerals, Mr. James Boddie of Dames & Moore, K. Michael Thomson, Hydrologist for the State Division of Oil, Gas and Mining, and James A. Holtkamp of Van Cott, Bagley, Cornwall and McCarthy.

At that meeting, the requirements in the July 25, 1978, letter from the Nuclear Regulator Commission ("NRC") to Atlas Minerals regarding authorization for Atlas to modify the existing tailings retention system was discussed. The discussion centered around the third requirement in that letter, which provided that Atlas should initiate surety arrangements with the State of Utah for the reclamation and decommissioning program at its mill by September 30, 1978.

Mr. Dearth set forth the background leading up to the July 25, 1978, letter and asked Mr. Nielson about the proper means of obtaining surety from the state. Mr. Nielson reported on the surety arrangements with Plateau Resources Limited and Energy Fuels covering proposed uranium mills. Mr. Nielson said that stipulations in sureties covering reclamation and stabilization of tailings of uranium mills are based on NRC requirements, although the sureties have to be approved by the Board of Oil, Gas and Mining. Mr. Nielson said that he would confer with Ross Scarano of the NRC concerning the surety requirement and would make inquiries with regard to the relationship between the State Division of Health and the NRC.

Subsequent to the meeting, an examination was made of the files of the Division of Oil, Gas and Mining with respect to an application submitted by Atlas in 1976 for approval of



asurety covering reclamation of the tailings at the pond and mill site in Moab.

Copies of the documents pertinent to that application have been placed in the Atlas Minerals/NRC Matters file in this office.

JAH

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